

SAN JUAN UNIFIED SCHOOL DISTRICT

Communications With Those Charged With Governance

Submitted by

Gilbert CPAs

We have audited the financial statements of the Measure J, N, and P Building Funds of the San Juan Unified School District (the District) for the year ended June 30, 2019. Professional standards require that we provide you with information related to our audits. We are providing the District's Independent Bond Oversight Committee (BOC) and the Board of Education (Board) with information regarding the scope and results of the audits to assist the BOC and the Board in overseeing management's financial reporting and disclosure process. This information is intended solely for the use of the BOC, the Board and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. The following pages summarize these required communications.

January 10, 2020

MANAGEMENT AND AUDITOR RESPONSIBILITIES

Auditors' Responsibilities under Generally Accepted Auditing Standards (GAAS), *Government Auditing Standards*, issued by the Comptroller General of the United States.

The financial statements are the responsibility of management. As stated in our engagement contract, our responsibility is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the Measure J, N, and P Building Funds of the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

We issued unmodified opinions on the financial statements of the Measure J, N, and P Building Funds of the District for the year ended June 30, 2019.

The financial statements of the Measure J, N, and P Building Funds of the District present only the Measure J, N, and P Building Funds and do not purport to, and do not present fairly the financial position of the District as of June 30, 2019, or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions were not modified with respect to this matter.

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

<p>Significant Accounting Policies</p> <p>Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement contract, we advised management about the appropriateness of accounting policies and their application.</p>	<p>The significant accounting policies used by the Measure J, N, and P Building Funds of the District are described in Note 2 to the financial statements.</p> <p>We noted no transactions entered into by the Measure J, N, and P Building Funds of the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.</p>
<p>Management Judgments and Accounting Estimates</p> <p>Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.</p> <p>Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.</p>	<p>We noted no estimates or disclosures that we consider particularly sensitive.</p>

INTERACTIONS WITH MANAGEMENT

Planned Scope and Timing of the Audit	We performed the audit according to the planned scope and timing previously communicated in our engagement contract.
Management Consultations with Other Independent Accountants In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.	To our knowledge, there were no such consultations with other accountants.
Disagreements with Management For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report.	We are pleased to report that no such disagreements arose during the course of our audit.
Management Representations	We requested certain representations from management in a letter to us.
Difficulties Encountered in Performing the Audit	We encountered no significant difficulties in dealing with management in performing and completing our audit. Management and staff were well prepared and very cooperative.

OTHER MATTERS

<p>Other Audit Findings or Issues</p>	<p>We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
<p>Corrected and Uncorrected Misstatements</p> <p>Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.</p>	<p>No significant adjustments were identified during our audit.</p>